

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 3263 – HB 3514

February 27, 2012

SUMMARY OF AMENDMENT (013303): Authorizes a nursing home or nursing home affiliate to employ a physician, evidenced by a written contract, under the following conditions: the employed physician has completed a residency or is board certified in internal medicine, family medicine, primary care, geriatric medicine, gerontology, or a related medical specialty; the nursing home or affiliate does not restrict or interfere with medically appropriate diagnostic, referral, or treatment decisions or with patient referral decisions; the affiliate does not engage in any other business than the employment or management of physicians or the management and ownership of health care facilities; and the written contract includes the name and location of each facility where the physician may see patients. Prohibits the nursing home or affiliate from restricting the employed physician's right to practice medicine after the employment relationship has ended. Defines "referral" or "referring" as a decision by the employed physician to send a patient to another practitioner or specialty program for consultation, service, or procedures that the employed physician cannot provide. Referral shall not include sending a patient for consultation, service, or procedures that are available within the facility, unless, in the medical judgment of the employed physician, the patient would be better served by a practitioner or specialty program not employed by or contracted to the employing entity.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- The Board for Licensing Health Care Facilities will be responsible for the enforcement of the provisions of the bill. This will be handled through investigations of complaints during the regular schedule of inspections. Any increase in expenditures will not be significant and can be accommodated within existing resources.
- Any necessary rulemaking can be accomplished during a regularly scheduled Board meeting.

SB 3263 – HB 3514

- Pursuant to Tenn. Code Ann. § 68-11-216, the Board for Licensing Health Care Facilities is required to be self-supporting over a two-year period. The Board had a balance of \$392,654.16 in FY09-10 and \$594,768.55 in FY10-11.
- No impact to the TennCare program or the reimbursement amounts paid to nursing home facilities.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/kml